

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 396.

In subsection (a) of this section, the former reference to reinstatement "at any time" within a specified period is deleted as unnecessary in light of the specific references to reinstatement "within 3 years" or, for a policy of industrial life insurance, "2 years".

Defined terms: "Industrial life insurance" § 1-101

"Insurer" § 1-101

"Life insurance" § 1-101

"Policy" § 1-101

"Premium" § 1-101

#### 16-211. PAYMENT OF BENEFITS.

##### (A) IN GENERAL.

EACH POLICY OF LIFE INSURANCE SHALL CONTAIN A PROVISION THAT WHEN BENEFITS BECOME PAYABLE BECAUSE OF THE DEATH OF THE INSURED, SETTLEMENT SHALL BE MADE ON RECEIPT OF PROOF OF DEATH AND, AT THE INSURER'S OPTION, ON SURRENDER OF THE POLICY, PROOF OF THE INTEREST OF THE CLAIMANT, OR BOTH.

##### (B) PREMIUMS PAID AFTER DEATH.

THE PROVISION ALSO SHALL STATE THAT BENEFITS INCLUDE THE REFUND OF PREMIUMS PAID AFTER THE MONTH IN WHICH DEATH OCCURRED.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 397.

In subsection (a) of this section, the term "due", which formerly modified "proof of death", is deleted as surplusage.

Defined terms: "Insurer" § 1-101

"Life insurance" § 1-101

"Policy" § 1-101

"Premium" § 1-101

#### 16-212. DESIGNATION OF BENEFICIARY.

##### (A) IN GENERAL.

(1) EACH POLICY OF LIFE INSURANCE SHALL HAVE THE NAME OF THE BENEFICIARY DESIGNATED ON THE POLICY, OR IN THE APPLICATION OR ANOTHER FORM IF ATTACHED TO THE POLICY, WITH A RESERVATION OF THE RIGHT TO DESIGNATE OR CHANGE THE BENEFICIARY AFTER THE POLICY IS ISSUED, UNLESS THE BENEFICIARY IS IRREVOCABLY DESIGNATED.

(2) AN INSURER MAY INCLUDE IN THE POLICY A PROVISION THAT A DESIGNATION OR CHANGE OF BENEFICIARY IS NOT BINDING ON THE INSURER UNTIL ENDORSED ON THE POLICY OR OTHERWISE ACCEPTED BY THE INSURER.